



General Assembly

Amendment

February Session, 2018

LCO No. 5982



Offered by:

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To: Subst. House Bill No. **5155**

File No. 54

Cal. No. 68

***"AN ACT CONCERNING THE DEPARTMENT OF
DEVELOPMENTAL SERVICES' RECOMMENDATION REGARDING
WAIVER OF LICENSING FEES FOR PRIVATE PROVIDERS."***

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 Section 1. Subsection (b) of section 12-263i of the 2018 supplement to
4 the general statutes is repealed and the following is substituted in lieu
5 thereof (*Effective July 1, 2018*):

6 (b) (1) For each calendar quarter commencing on or after October 1,
7 2015, there is hereby imposed a tax on each ambulatory surgical center
8 in this state to be paid each calendar quarter. The tax imposed by this
9 section shall be at the rate of six per cent of the gross receipts of each
10 ambulatory surgical center, except that:

11 (A) Prior to July 1, 2019, such tax shall not be imposed on any
12 amount of such gross receipts that constitutes either [(A)] (i) the first

13 million dollars of gross receipts of the ambulatory surgical center in
14 the applicable fiscal year, or [(B)] (ii) net revenue of a hospital that is
15 subject to the tax imposed under section [602 of public act 17-2 of the
16 June special session] 12-263q; and

17 (B) On and after July 1, 2019, such tax shall not be imposed on any
18 amount of such gross receipts that constitutes any of the following: (i)
19 The first million dollars of gross receipts of the ambulatory surgical
20 center in the applicable fiscal year, excluding Medicaid and Medicare
21 payments, (ii) net revenue of a hospital that is subject to the tax
22 imposed under section 12-263q, (iii) Medicaid payments received by
23 the ambulatory surgical center, and (iv) Medicare payments received
24 by the ambulatory surgical center.

25 (2) Nothing in this section shall prohibit an ambulatory surgical
26 center from seeking remuneration for the tax imposed by this section.

27 [(2)] (3) Each ambulatory surgical center shall, on or before January
28 31, 2016, and thereafter on or before the last day of January, April, July
29 and October of each year, render to the commissioner a return, on
30 forms prescribed or furnished by the commissioner, reporting the
31 name and location of such ambulatory surgical center, the entire
32 amount of gross receipts generated by such ambulatory surgical center
33 during the calendar quarter ending on the last day of the preceding
34 month and such other information as the commissioner deems
35 necessary for the proper administration of this section. The tax
36 imposed under this section shall be due and payable on the due date of
37 such return. Each ambulatory surgical center shall be required to file
38 such return electronically with the department and to make payment
39 of such tax by electronic funds transfer in the manner provided by
40 chapter 228g, regardless of whether such ambulatory surgical center
41 would have otherwise been required to file such return electronically
42 or to make such tax payment by electronic funds transfer under the
43 provisions of chapter 228g.

44 Sec. 2. (*Effective from passage*) (a) The Commissioner of Social

45 Services, in consultation with the Connecticut Association of
46 Ambulatory Surgery Centers, shall establish a pilot program to study
47 ways to increase access to medical care and decrease costs for such care
48 under the Medicaid program by having certain medical procedures
49 performed at ambulatory surgical centers, as defined in section 12-263i
50 of the general statutes. The pilot program shall include the
51 establishment of (1) an application procedure and participation
52 criteria, (2) a list of the medical procedures to be considered, (3) the
53 appropriate reimbursement rates for such procedures, and (4) a
54 requirement that any administrative services organization handling
55 case management for Medicaid recipients refer them to such centers
56 for medically appropriate treatment, as determined by the
57 commissioner.

58 (b) Not later than December 31, 2019, the commissioner shall submit
59 a report, in accordance with the provisions of section 11-4a of the
60 general statutes, regarding the pilot program, any cost savings to the
61 state resulting from the program, and the commissioner's
62 recommendations to the joint standing committees of the General
63 Assembly having cognizance of matters relating to finance, revenue
64 and bonding, human services and public health. The Department of
65 Social Services and the Office of Policy and Management may establish
66 state-funded rate enhancements within available appropriations for
67 certain medical procedures for Medicaid recipients performed at
68 ambulatory surgical centers.

69 Sec. 3. Section 12-62r of the general statutes, as amended by
70 substitute house bill 5028 of the current session, as amended by section
71 45 of House Amendment Schedule "A", is repealed and the following
72 is substituted in lieu thereof (*Effective July 1, 2018, and applicable to*
73 *assessment years commencing on or after October 1, 2018*):

74 (a) For the purposes of this section:

75 (1) "Apartment property" means a building containing four or more
76 dwelling units used for human habitation, the parcel of land on which

77 such building is situated, any accessory buildings or other
78 improvements located on such parcel and condominium units
79 converted after July 1, 2018, unless such conversion is made pursuant
80 to subsection (i) of this section;

81 (2) "Residential property" means (A) a building containing three or
82 fewer dwelling units used for human habitation, the parcel of land on
83 which such building is situated, and any accessory buildings or other
84 improvements located on such parcel, (B) common interest
85 communities, as defined in section 47-202, including common interest
86 communities converted from apartment properties prior to July [31] 1,
87 2018, or (C) condominiums, as defined in section 47-68a, that are used
88 for residential purposes, including condominiums converted from
89 apartment properties prior to July [31] 1, 2018; [except that if four or
90 more units of a common interest community or four or more units of a
91 condominium are under common ownership, such units shall not be
92 considered residential property;]

93 (3) "Base year" means the assessment year commencing October 1,
94 2010;

95 (4) "Adjusted tax levy" means the total amount of taxes raised by
96 taxation in a fiscal year by a municipality;

97 (5) "Owner-occupied residential property" means a dwelling unit in
98 a residential property that is occupied as a primary residence by the
99 owner of the property; and

100 (6) "Common ownership" means that more than fifty per cent of the
101 voting control of the owner of a unit described in subdivision (2) of
102 this subsection is directly or indirectly owned by a common owner or
103 owners, either corporate or noncorporate. Whether voting control is
104 indirectly owned shall be determined in accordance with Section 318 of
105 the Internal Revenue Code of 1986, or any subsequent corresponding
106 internal revenue code of the United States, as amended from time to
107 time.

108 (b) Notwithstanding any provision of the general statutes or any
109 special act, municipal charter or any home rule ordinance, any
110 municipality in which the provisions of section 12-62n were effective
111 for the assessment year commencing October 1, 2010, shall make
112 annual adjustments to the assessment rate charged to apartment and
113 residential property in accordance with the provisions of this section,
114 but in no event shall the assessment rate for any class of property be in
115 excess of seventy per cent.

116 (c) For the assessment year commencing October 1, 2011, in any
117 municipality that adopts the property tax system under this section,
118 apartment property shall be assessed at a rate of fifty per cent. For
119 assessment years commencing on and after October 1, 2012, the
120 assessor shall determine a rate of assessment for apartment property
121 that will have the effect of phasing in proportionate increases in the
122 rate so that, by the assessment year commencing October 1, 2015, the
123 assessment rate for apartment property shall be seventy per cent.

124 (d) In any municipality that adopts the property tax system under
125 this section, for the assessment year commencing October 1, 2011, and
126 only for said assessment year, the assessor shall determine a rate of
127 assessment for residential property that will have the effect of
128 increasing the average property tax for residential property as a result
129 of revaluation by three and one-half per cent over the property tax for
130 such property class in the base year, but in no event shall the
131 assessment rate be less than twenty-three per cent. For assessment
132 years commencing on and after October 1, 2011, the assessor shall then
133 calculate an adjustment to the rate of assessment for residential
134 property in accordance with subsection (e) of this section.

135 (e) Not later than January thirty-first or the completion of the grand
136 list, whichever is later, the assessor shall annually calculate the
137 residential assessment ratio. The assessor shall first adjust the adjusted
138 tax levy for the preceding fiscal year in accordance with any change in
139 the consumer price index for all urban consumers in the northeast
140 region in the preceding fiscal year, as reported generally in February

141 for the year-over-year January index. If, after such adjustment, (1) the
142 adjusted tax levy in the current fiscal year exceeds the adjusted tax
143 levy in the prior fiscal year by more than one hundred per cent of the
144 rate of inflation, as determined in accordance with such consumer
145 price index, the assessor, in his or her calculation of the assessment
146 ratios for the next grand list, shall increase the rate of assessment for
147 residential properties from the prior grand list year by five per cent; (2)
148 the adjusted tax levy in the current fiscal year exceeds the adjusted tax
149 levy in the prior fiscal year by more than fifty per cent, but not more
150 than one hundred per cent, of such rate of inflation, the assessor shall
151 increase such rate of assessment by three and one-half per cent; (3) the
152 adjusted tax levy in the current fiscal year exceeds the adjusted tax
153 levy in the prior fiscal year by not more than fifty per cent of such rate
154 of inflation, the assessor shall increase such rate of assessment by two
155 and one-half per cent; (4) the adjusted tax levy in the current fiscal year
156 is equal to the adjusted tax levy in the prior fiscal year, or is less than
157 one-half per cent less than the adjusted tax levy in the prior fiscal year,
158 the assessor shall increase such rate of assessment by one and one-half
159 per cent; and (5) the adjusted tax levy in the current fiscal year is less
160 than the adjusted tax levy in the prior fiscal year by at least one-half
161 per cent, the assessor shall make no change in such rate of assessment.

162 (f) For assessment years commencing on and after October 1, 2016,
163 any municipality that adopts the property tax system under this
164 section may, by vote of its legislative body, enact an ordinance to
165 establish a program to encourage homeownership by adjusting the
166 annual assessment rate for nonowner-occupied residential properties
167 so that, while the annual assessment rate for owner-occupied
168 residential properties shall be calculated at all times in accordance with
169 subsection (e) of this section, the annual assessment rate for nonowner-
170 occupied residential properties shall be calculated at a rate that shall
171 keep the annual assessment rate for owner-occupied residential
172 properties lower than that of nonowner-occupied residential
173 properties. Any ordinance enacted pursuant to this subsection may be
174 amended only in a year in which such municipality conducts a

175 revaluation of real property pursuant to section 12-62.

176 (g) Not later than June fifteenth in any year in which the adjusted
177 tax levy in the current fiscal year increases by more than two and six-
178 tenths per cent over the adjusted tax levy in the prior fiscal year, one
179 per cent of the total number of electors of such municipality may
180 petition in writing for a referendum on the budget establishing such
181 increase. Any such referendum shall be held not more than ten days
182 after receipt of such petition by the town clerk and shall be conducted
183 in accordance with the provisions of chapter 90. Such budget shall not
184 become effective unless a majority of the electors voting in such
185 referendum vote in favor thereof. Only one referendum may be held,
186 and, if the vote is against the budget, such municipality shall so adjust
187 the budget as to limit any increase to be equal to or less than two and
188 six-tenths per cent.

189 (h) Nothing in this section shall change the assessment of apartment
190 property created or converted by the Capital Region development
191 Authority created pursuant to section 20-601. Such apartment property
192 shall continue to be assessed as residential property.

193 (i) If a purchaser of a building containing four or more residential
194 units invests an amount in excess of thirty-five per cent of the purchase
195 price of such building within three years after the purchase date
196 recorded on the land records, then the purchaser shall be entitled to
197 convert the building into a common interest community and such form
198 of ownership shall remain in perpetuity, unless dissolved by the owner
199 of such building. Such property shall be treated as residential property
200 for tax purposes.

201 (j) Verification of investments made pursuant to subsection (i) of
202 this section shall be determined by the assessor for the municipality in
203 which the building is located. If an owner disagrees with the decision
204 of the assessor, such owner may take an appeal pursuant to section 12-
205 117a.

206 Sec. 4. Section 45 of substitute house bill 5028 of the current session,

207 as amended by House Amendment Schedule "A", shall take effect July
208 1, 2018, and be applicable to assessment years commencing on or after
209 October 1, 2018."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	12-263i(b)
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2018, and applicable to assessment years commencing on or after October 1, 2018</i>	12-62r